
THE INFLUENCE OF COMMUNICATION THROUGH SOCIAL MEDIA ON BRAND EQUITY IN SHAPING NIKE PRODUCT PURCHASE INTENTIONS

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Abstract

By utilizing social media, companies can interact with consumers, making social media communication created by companies an essential element of the company's promotional mix. The purpose of this study is to determine the influence of social media communication on brand equity and brand attitude in shaping the purchase intention of Nike products. This research employs Structural Equation Modeling (SEM) analysis with the assistance of AMOS software, involving a total sample of 223 respondents. The results of this study show that firm-created content and user-generated content have a positive impact on brand equity. User-generated content has a positive effect on brand attitude, while firm-created content does not have a positive effect on brand attitude. Furthermore, brand equity and brand attitude have a positive impact on purchase intention. This study reveals that user-generated communication has a more significant influence on purchase intent through brand equity and brand attitude. Brand equity and brand attitude are crucial factors in the purchase intention of a product.

Keywords: firm created communication, user-generated content, brand equity, brand attitude, purchase intention

INTRODUCTION

"The rapid growth of information technology has brought about a revolution in business communication (Arrigo, 2018). Since the emergence of the first social media networks around two decades ago, social media has continuously evolved worldwide in innovative and meaningful ways to connect with consumers and brands (Keegan & Rowley, 2017). Social media has become an integral part of everyday life for communication, sharing information, and uploading content, as demonstrated in research conducted by (Sadek et al., 2018). Now, media has transformed rapidly, and consumers progressively use social networking sites to seek information about various products and services (Schivinski & Dabrowski, 2016). With the increasing number of internet and social media users, it has become inevitable for major brands to understand online consumer behavior (Kristiani et al., 2019).

Social media has transformed traditional brand marketing by shifting control and brand management away from marketing managers, gradually replaced by consumer influence, thus affecting the social benefits and trust that influence online purchase intentions (Liu & Guo, 2017). The influence of social media on consumer behavior patterns includes a series of steps, starting with the provision of information that ultimately creates awareness and understanding of a brand (Bhandari & Rodgers, 2018).

found that trust variables can shape purchase intentions in online consumers. Furthermore, social media also affects consumer behavior during the purchase process (Bilgin, 2018). In today's competitive landscape, brands play a highly significant role in competing among companies producing similar goods or services. Brands have an indelible distinction in the minds of consumers (Yaseen & Mazahir, 2019).

There are five variables that will be investigated by the researcher, namely communication generated by the company, communication generated by users, consumer purchase intention, brand attitude, and brand equity. It is expected that this can provide new insights into consumer choices regarding product purchase decisions.

There is a positive and significant relationship between brand equity, one of its dimensions being brand awareness, and purchase intention (Civelek & Ertemel, 2019). Brand equity is influenced by social media brand communication generated by the company, showing a positive impact (Schivinski & Dabrowski, 2016). User-generated content related to the brand has a significant influence on building brand awareness. In other words, consumers are more interested in content created by users compared to official content from the company in creating brand equity (Uddin et al., 2019). Communication through user-generated social media has a positive impact on brand equity, while social media communication generated by the company positively affects brand equity. Brand equity and brand attitude have been shown to have a positive impact on purchase intention (Schivinski & Dabrowski, 2016).

This research aims to determine the relevance in Indonesia and various sources that can be used as references, while avoiding duplication through discussions in previous studies. The purpose of this study is to understand the influence of social media communication on brand equity and brand attitude in shaping the purchase intention of Nike products. This research also makes an effort to determine the relevance in Indonesia and identify various sources that can be used as references while avoiding duplication through discussions in previous research.

RESEARCH METHODS

In this study, the method employed is quantitative research, which is a way to test theories and relationships between variables by collecting numerical data and analyzing it using statistical methods (Creswell & Creswell, 2018). A quantitative approach is applied in this research, focusing on inference and drawing conclusions based on the probability of rejecting the null hypothesis (Azwar, 2011). The research was conducted in Indonesia, with the research subjects being consumers actively using social media. They are considered to have relevant knowledge about the Samsung brand to support this research, hence the research location is in Indonesia. In the quantitative method, data was collected through a questionnaire.

This study is centered on individuals in Indonesia selected through a sampling process, as they constitute a relevant population for this research. To identify participants who are active social media users but not users of Samsung products, the researchers used this platform as the criterion. The research questionnaire was distributed online via Google Forms. To measure the variables in this study, a Six-Point Likert Scale was utilized, ranging from "strongly disagree" to "strongly agree"

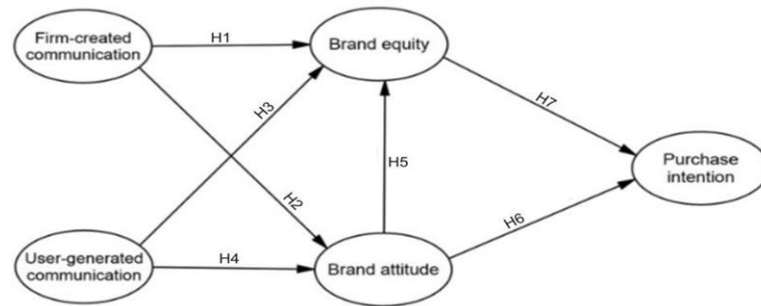


Figure 1: Conceptual Model of the Study; Source: Authors

RESULT AND DISCUSSION

The survey was conducted through an online Google Forms survey, completed by 223 respondents. Descriptive classification results of the respondents show that 53.4% of the respondents are male. The majority of respondents in this survey are between the ages of 23 to 28 (45.3%). Most of them hold a Bachelor's degree, with 114 respondents or 51.1%. The data indicates that 81 individuals, or 36.3% of the respondents, spend less than Rp2,000,000 to Rp5,000,000 per month. Regarding the purchase intensity of shoes, 109 respondents buy shoes more than once a year (48.9%). A total of 121 respondents come from Java (54.3%).

Company-created social media communication (FCC) does not positively influence brand attitude (BA).

Companies have full control over their social media communication, and it is expected that this could impact brand attitude positively. However, the findings of this study indicate that company-created social media communication does not have a positive influence on brand attitude. This finding is in line with research conducted by (Arifani et al., 2023). The expectation that companies can build brand attitude through company-created social media communication or content is not always accurate. One dimension of brand attitude is the social value of the brand, and that is one reason why company-created social media communication does not always strengthen the equity held by the brand. Therefore, even though Nike conducts marketing campaigns through their official channels, it does not necessarily affect the brand attitude of Nike itself. The quality and credibility of the messages conveyed play a crucial role in influencing individual actions after receiving information. Brand attitude helps consumers make choices by evaluating alternatives based on attributes and benefits of each product or brand, and in this way, customers select products that best satisfy their needs and expectations (Rossiter, 2014).

User-generated social media communication (UGC) significantly and positively influences brand equity (BE).

User-generated social media communication has a significant and positive impact on brand equity. Similar findings were also revealed by Schivinski, (2013) in his research. User-generated social media communication is not bound by company marketing

activities, making consumers perceive it as more trustworthy, reliable, and engaging. Furthermore, user-generated social media communication aligns with the dimensions of brand equity. Therefore, if there are Nike product users creating content about their experiences with Nike products, it can enhance brand loyalty, brand associations, brand awareness, perceived quality, brand image, and also the social value of the brand, which are dimensions of brand equity itself.

Brand attitude (BA) positively influences brand equity (BE).

Research conducted by Allen Broyles et al., (2010) supports this finding. It indicates that brand attitude, which encompasses product attributes such as durability, reliability, serviceability, features, performance, or overall quality, has a positive impact on brand equity itself. If the attributes of brand attitude are found in a product, then customers' evaluations of brand equity will increase. Moreover, brand attitude is driven by a liking and a good reputation of the brand itself, which can strengthen the effect of brand attitude on brand equity. For example, when someone is considering buying Nike shoes, if they have a positive association with the Nike brand, it can reinforce the positive information they receive about the specifications of Nike products.

Company-created social media communication (FCC) positively influences consumer brand equity (BE).

The research findings indicate that using social media as a means of communication by companies provides positive benefits for consumers' perceptions of their brands. This aligns with the research conducted by Li and Bernoff in 2011. Consumers expect to find content provided by companies, such as the Nike brand, to learn about product pricing and advantages. By creating social media content, companies can expand their advertising reach and trigger viral responses, thereby influencing consumers' overall brand attitudes and evaluations, including attributes such as durability, defects, features, performance, and product preferences. Therefore, it is recommended that marketing managers focus on building beneficial brand relationships and integrating brand characteristics that shape consumers' attitudes toward the brand. For example, Nike's social media communication impacts consumers' evaluations of the quality of Nike products.

User-generated social media communication (UGC) positively influences consumer brand attitude (BA).

From the results of this research, it can be concluded that the use of social media by users can have a positive impact on consumer attitudes toward brands. This finding aligns with the research conducted by Burmann and Arnhold in 2008. The more and higher-quality user-generated social media communication there is, the more positive consumers' attitudes toward the brand become. User-generated social media communication is not tied to a company's marketing activities, making consumers trust it more and be more inclined to accept reviews from users rather than from the company itself. For example, if many users provide positive reviews of Nike products on various

social media platforms, it can influence consumers' overall evaluations of the Nike brand and increase their tendency to favor the brand.

Brand equity (BE) positively influences purchase intention (PI).

The findings of this research are consistent with previous studies, such as the one conducted by Yoo and Donthu in 2001, which demonstrated that the higher the brand value, the greater its impact on consumer purchase intentions. For Nike products, consumers tend to consider product attributes such as the outsole, shoe design, material, and durability when making their purchase decisions. Therefore, if these attributes receive positive evaluations from consumers, the intention to purchase Nike products is likely to increase.

Brand attitude (BA) positively influences purchase intention (PI).

This aligns with research conducted by Keller and Lehmann in 2003, where the results indicate that the better the content disseminated on social media regarding overall product information, which has a positive impact on customers' overall evaluations of a product, the more it aligns with their intention to purchase that product. Positive brand attitudes recognized by consumers lead to positive, unique, and strong associations. Therefore, it can be concluded that the level of purchase intent for that product also strengthens. For instance, various information circulating on social media about Nike products, whether it's about product design or even celebrities wearing Nike products, can enhance the equity of the Nike brand, and customers will be inclined to purchase Nike products due to the brand's image and social value.

CONCLUSION

The results of this study indicate a significant difference between the impact of content created by companies for their brands and content independently generated by users on brand purchase intent. User-generated content has a significant influence on brand equity and brand attitude, while content created by companies only has a direct impact on brand equity and purchase intent. Therefore, the selection and distribution of content must be carefully considered to align with brand marketing strategies.

In this context, the research reveals two crucial findings. First, product information can be received differently depending on the source, which expands our understanding of how product information is perceived. The study also shows that brand image and social value are important factors influencing the reception of brand information, in addition to generic information such as features, durability, and performance. Furthermore, the research confirms a positive relationship between social value and brand image overall with purchase intent. However, the construction of social value and brand image as a whole must be conceptually considered in the delivery of brand information.

A noteworthy finding in this research is that company's social media communication does not directly impact brand attitude but can shape consumers' perceived value through their brand equity. Although company-generated content may

only impact consumers' brand equity and not directly their brand attitude, it can still influence brand attitude through consumers' attitude toward the brand. This study demonstrates that consumers' evaluation of brand attitude, typically associated with product descriptions, is also influenced by their overall brand evaluation. Therefore, when considering the effects of content on brand information dissemination, the conceptual framework should include the path effects of content created by the company on purchase intent and the effects of overall evaluation on brand equity that affect purchase intent.

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